

Message Text

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PAGE 01 MOSCOW 02243 141559Z

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03

CIEP-01 LAB-04 SIL-01 OMB-01 /086 W

----- 097166

R 141034Z FEB 76

FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC 9925

INFO AMCONSUL LENINGRAD

USMISSION NATO

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E.O. 11652: N/A

TAGS: ETRD, EFIN, PFOR, UR, US

SUBJECT: PRAVDA ARTICLE ON US-SOVIET ECONOMIC COMPETITION

1. SUMMARY AND COMMENT - PRAVDA FEBRUARY 13 PUBLISHES EXCEPTIONALLY HARD-LINE, AGGRESSIVE ANALYSIS OF ECONOMIC COMPETITION BETWEEN UNITED STATES AND SOVIET UNION WRITTEN BY AMERICAN COMMUNIST VICTOR PERLO. IN STYLE, TONE AND OCCASIONALLY IN CONTENT ARTICLE IS MORE SUITED TO NEW YORK DAILY WORKER OF THE 1930'S THAN PRAVDA IN EARLY 1970'S, BUT ITS APPEARANCE IS NOT OUT OF LINE WITH SOME OF THE ANTI-US JABS WHICH HAVE BEEN PREVALENT IN SOVIET PRESS OVER PAST SEVERAL WEEKS. IT IS ALSO LATEST IN SERIES OF STRONGLY POLEMIC, DEFENSIVE ARTICLES ON SOVIET ECONOMY VERSUS THE WEST TO APPEAR IN PRAVDA AND IZVESTIYA.

2. OVERALL THRUST IS THAT USSR AND SOCIALIST SYSTEM RAPIDLY OVERTAKING US IN ACROSS-THE-BOARD INDUSTRIAL OUTPUT AND TECHNICAL PROGRESS, AND SHOULD ACTUALLY BE "ALMOST" ON PAR WITH US BY 1980. THIS VICTORY WILL BE ACHIEVED DESPITE TREMENDOUS ADVANTAGES US HAS HAD -- HEADSTART IN INDUSTRIAL DEVELOPMENT BEFORE WORLD WAR I, NO SERIOUS ECONOMIC LOSSES DURING WORLD WAR II, MASSIVE WAVES OF SKILLED IMMIGRANTS FLEEING FROM FASCISM AND POST WORLD WAR II IMPORTS

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PAGE 02 MOSCOW 02243 141559Z

OF TALENT THROUGH "BRAIN DRAIN" FROM OTHER COUNTRIES. PERLO

REPEATEDLY MAKES IT CLEAR THAT USSR WITH ITS SOCIALIST SYSTEM IS OBVIOUSLY SUPERIOR OF TWO CONTENDERS. INEVITABILITY OF EVENTUAL US DEFEAT IS IMPLICIT EVEN THOUGH NOT SPECIFICALLY PREDICTED. UNABLE TO DESTROY SOCIALISM BY MILITARY MEANS, IMPERIALISTS (AMONG WHOM ARE AMERICANS) HAVE CONTINUED STRUGGLE THROUGH COMPETITION IN ECONOMIC ARENA. HERE, PERLO EXPLAINS, THEY HAVE RECENTLY BEEN SLOWED DOWN BY INFLATION, CLASS CONFLICTS, BALANCE-OF-PAYMENT DEFICITS, POLITICAL CORRUPTION AND MUNICIPAL BANKRUPTCIES.

3. DETENTE, INCLUDING ECONOMIC COOPERATION BETWEEN TWO SYSTEMS UNDER CONDITIONS OF PEACE AND DISARMAMENT, IS MUTUALLY ADVANTAGEOUS FOR PEOPLE OF BOTH COUNTRIES. UNFORTUNATELY, RIGHT-WING ELEMENTS IN US ARE STILL POWERFUL ENOUGH TO LIMIT MOVES TOWARD IMPROVED ECONOMIC RELATIONS WITH USSR WHICH WOULD GREATLY HELP US WORKERS. BUT MANY OF MEASURES TAKEN BY REACTIONARIES ARE REBOUNDED AGAINST THEM. IN MEANTIME, ECONOMIC COMPETITION CONTINUES. IT IS MUTUALLY ADVANTAGEOUS FOR BOTH SIDES BUT, OF COURSE, SOCIALIST VICTORIES BENEFIT ALL PEOPLE AND TIME WILL REVEAL WHICH IS THE STRONGER. END SUMMARY AND COMMENT

4. SOME OF PERLO'S MAIN POINTS, ILLUSTRATED BY DIRECT QUOTES, FOLLOW:

(A) USSR WILL BE ON ABOUT SAME INDUSTRIAL LEVEL AS US BY 1980. "VOLUME OF PRODUCTION BY RUSSIAN INDUSTRY IN 1913 WAS ONE EIGHTH OF VOLUME OF AMERICAN PRODUCTION; ... IN 1950 ... 30 PERCENT... IN 1974 80 PERCENT. WHEN USSR FULFILLS TENTH FIVE-YEAR PLAN, AND WHEN US PRODUCTION, AS ENVISAGED BY OFFICIAL FORECAST, RECOVERS, OVERALL VOLUME OF PRODUCTION IN TWO COUNTRIES IN 1980 WILL BE ALMOST EQUAL."

(B) SUPERIORITY OF SOCIALIST SYSTEM - "OPERATION OF ECONOMIC LAWS OF TWO SYSTEMS LEAVES NO DOUBT THAT SOCIALISM OVER SHORT PERIOD OF HISTORY IS LEADING FORCE IN WORLD ECONOMY... SOCIALIST COUNTRIES IN COMPETITION WITH CAPITALISM ARE SUPPORTED BY PERMANENT ADVANTAGES OF THEIR ECONOMIC AND SOCIAL SYSTEM... EACH SUCCESS OF SOCIALISM, A HISTORICALLY MATURE, PROGRESSIVE SOCIAL SYSTEM, IS SUCCESS FOR ALL PEOPLES."
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PAGE 03 MOSCOW 02243 141559Z

(C) AMERICAN WEAKNESSES AND DISADVANTAGES - "CONFLICTS (IN AMERICAN CAPITALISM) STEMMING FROM CRISIS AND SLOWDOWN OF ECONOMIC GROWTH ARE MORE AND MORE APPARENT, AND CAPITALIST CLASSES, MORE AND MORE OPENLY, TRY TO LOWER LIVING STANDARDS OF THE MASSES OF WORKERS, THEREBY INCREASING INSTABILITY OF ECONOMY... (AMERICAN) WORKERS, RECEIVING NO ADVANTAGES FROM AMERICAN CAPITALIST SYSTEM, ARE INCREASINGLY HOSTILE TO IT.

THEY OPPOSE ATTEMPTS OF ENTREPRENEURS TO INCREASE PRODUCTION THROUGH INHUMAN INTENSIFICATION OF LABOR, DISREGARD OF SAFETY PROCEDURES, AND MANY HOURS OF OVERTIME WORK ... TENS OF MILLIONS OF NEGROES AND MEMBERS OF OTHER MINORITIES FIGHT AGAINST DISCRIMINATION."

(D) DIFFERENCE IN SOVIET AND US POLICIES ON NATURAL RESOURCES - "IMPORTANT ADVANTAGE FOR USSR IS SELF-SUFFICIENCY IN ALMOST ALL BASIC RAW MATERIALS. THIS IS NOT JUST GIFT OF NATURE ... (BUT) RESULT OF PERSISTENT EFFORTS OF SOVIET PEOPLE TO SURVEY AND DEVELOP BASIC RESOURCES (AND NOT) ROBBERY OF NATURAL WEALTH FROM OTHER COUNTRIES... LAWS OF IMPERIALISM... LEAD AMERICAN MONOPOLIES TO REDUCE INTENSIVE DEVELOPMENT OF (AMERICAN) INTERNAL RESOURCES AND TO TRY TO GET MAXIMUM PROFITS BY ROBBERING RAW MATERIAL WEALTH OF OTHER COUNTRIES...(BUT) NATIONAL LIBERATION MOVEMENTS (ARE STOPPING THIS ROBBERY) AND FORCING AMERICAN COMPANIES TO PAY MORE REALISTIC PRICES FOR IMPORTED MATERIALS."

(E) US-SOVIET ECONOMIC COOPERATION DURING COMPETITION - "LOGICALLY, COMPETITION MUST HARMONIZE WITH COOPERATION IN ECONOMIC AND OTHER PEACEFUL AREAS IN ORDER TO GIVE EACH SYSTEM OPPORTUNITY TO DEMONSTRATE HOW IT IS BEST ABLE TO SATISFY NEEDS OF MANKIND...SUCH APPROACH (APPEALS) TO ALL SERIOUS PEOPLE, AMONG THEM MANY AMERICANS, BOURGEOIS GOVERNMENTS. BUT THERE ARE GROUPS IN AMERICAN MONOPOLY SYSTEM WHO VIEW ECONOMIC COMPETITION AS FORM OF ECONOMIC WAR, COMBINED WITH A CONSTANT THREAT OF RETURN TO MILITARY CONFLICT. SUCH APPROACH DOMINATED US POLICY UNTIL NOT VERY LONG AGO... ADHERENTS OF THIS APPROACH ARE STILL VERY STRONG."

(F) DETENTE - "RELAXATION OF INTERNATIONAL TENSIONS HAS CAUSED NOTICEABLE EXPANSION OF MUTUALLY ADVANTAGEOUS TIES LIMITED OFFICIAL USE

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PAGE 04 MOSCOW 02243 141559Z

BETWEEN EUROPEAN SOCIALIST AND CAPITALIST COUNTRIES. BUT THIS PROCESS IS UP TO NOW ... IN THE BEGINNING STAGES BETWEEN USSR AND US... RIGHTWING FORCES IN USA STILL HAVE POWER TO PREVENT DEVELOPMENT OF TRADE, ACCELERATE ARMS RACE, RUDELY INTERFERE IN INTERNAL AFFAIRS OF OTHER COUNTRIES, AND CONDUCT UNBRIDLED, SLANDEROUS ANTI-SOVIET CAMPAIGN... (AMERICAN) WORKERS BENEFIT MOST FROM US-SOVIET ECONOMIC COOPERATION... (AND) EASING OF INTERNATIONAL TENSION WILL DEPRIVE REACTIONARIES OF THEIR MAIN POLITICAL WEAPON - ANTI-COMMUNISM, WITH POSSIBILITY OF DIRECTING FUNDS FROM PENTAGON AND CIA TO SOCIAL NEEDS."

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, INDUSTRIAL DEVELOPMENT, ECONOMIC GROWTH, ECONOMIC ESTIMATES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MOSCOW02243
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760057-0894
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760247/aaaabpjw.tel
Line Count: 166
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 09 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 APR 2004 by GarlanWA>; APPROVED <01 JUL 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRAVDA ARTICLE ON US-SOVIET ECONOMIC COMPETITION
TAGS: ETRD, EFIN, PFOR, TECH, UR, US, (PERLO, VICTOR)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006